



740
42A740
Revenue Cabinet

Kentucky Individual Income Tax Return
Full-Year Residents Only

For calendar year or
other taxable year beginning **(005)**, 2003, and ending **(006)**, 2004.

2003⁽⁰⁰⁴⁾

A. Spouse's Social Security Number **(008)** B. Your Social Security Number **(007)**
Name—Last, First, Middle Initial (Joint or combined return, give both names and initials)
Primary Last **(009)** Suffix **(010)** Primary First **(011)** Primary Middle Initial **(012)**
Spouse Last **(013)** Suffix **(014)** Spouse First **(015)** Spouse Middle Initial **(016)**
Mailing Address (Number and Street Including Apartment Number or P.O. Box)
Address Line **(017)**
City, Town or Post Office **(018)** State **(019)** ZIP Code **(020)**

2-D
Barcode

FILING STATUS (see instructions)

- 1 **(021)** Single
2 **(022)** Married, filing separately on this combined return. (If both had income.)
3 **(023)** Married, filing joint return.
4 **(024)** Married, filing separate returns. Enter spouse's Social Security number above and full name here. **(025)**

POLITICAL PARTY FUND

Designating \$2 will not change your refund or tax due.

	A. Spouse	B. Yourself
Democratic	(1) (026)	(4) (029)
Republican	(2) (027)	(5) (030)
No Designation	(3) (028)	(6) (031)

CREDITS

Check Regular

Check both if 65 or over

Check both if blind

- 5 (a) Credits for yourself **(032)** **(033)** **(034)**
(b) Credits for spouse **(035)** **(036)** **(037)**
6 List first names of your dependent children who lived with you.
(a) **(039)** (b) **(040)** (c) **(041)** (d) **(042)**
7 List name and relationship of other dependents.
(044)
8 Add total number of credits claimed on lines 5, 6 and 7. If married filing separately on a combined return (Filing Status 2), divide the amount on line 8 and enter in Boxes A and B. All other filers enter the amount from line 8
In Box B.....

Each taxpayer must claim his or her own credits from line 5. Credits from lines 6 and 7 may be divided.

- 5 Enter number of boxes checked **(038)**
6 Enter number of children listed **(043)**
7 Enter number of other dependents listed **(045)**
8 Enter total credits **(046)**
A. **(047)** B. **(048)**

ADJUSTED GROSS INCOME

- 9 Enter amount from federal Form 1040, line 35;
1040A, line 21 or 1040EZ, line 4.....9
10 Additions from Schedule M, line 7.....10
11 Add lines 9 and 10.....11
12 Subtractions from Schedule M, line 17.....12
13 Subtract line 12 from line 11. This is your
Kentucky Adjusted Gross Income.....13
(If total of Columns A and B is \$25,000 or less,
see Low Income Credit in instructions.)

A. Spouse (Use if Filing Status 2 is checked.)

B. Yourself (or joint)

.....9	(049)	(050)
.....10	(051)	(052)
.....11	(053)	(054)
.....12	(055)	(056)
.....13	(057)	(058)

TAXABLE INCOME

- 14 **Itemizers:** Enter itemized deductions from Kentucky Schedule A. **Nonitemizers:** Enter \$1,830 in Columns A and/or B.....14
15 Subtract line 14 from line 13. This is your **Taxable Income**.....15

TAX

- 16 Enter Tax from **Tax Table or Computation**.
Check if from **Schedule TC**16
17 Add tax amount(s) in Columns A and B, line 16.....17

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TAX

- 18 Enter amount from line 17.....18 (066)
- 19 Multiply line 18 by the low income tax credit decimal amount . (%) and enter here.....19 (067)
- 20 Subtract line 19 from line 18.....20 (068)
- 21 Enter **Child and Dependent Care Credit**
from federal Form 2441, line 9 (069).....21 (070)
- 22 **Income Tax Liability.** Subtract line 21 from line 20. If line 21 exceeds line 20, enter zero.....22 (071)
- 23 Enter **KENTUCKY USE TAX** from worksheet in the instructions.....23 (072)
- 24 Add lines 22 and 23. This is your **Total Tax Liability**.....24 (073)
- 25 (a) Enter **Kentucky Income Tax withheld** as shown on attached
2003 wage and tax statements.....25(a) (074)
- (b) Enter 2003 Kentucky estimated tax payments.....25(b) (075)
- 26 Add lines 25(a) and 25(b).....26 (076)
- 27 If line 26 is larger than line 24, enter **AMOUNT OVERPAID** (see instructions).....27 (077)

See instructions for a detailed description of funds.

- | | | | | Enter Amount | Checked |
|----|----------------------------------------------------------------------------------|-----|------|--------------|---------|
| 28 | Nature and Wildlife Fund Contribution | | | | |
| | \$2 | \$5 | \$10 | Other | 28 |
| | | | | | (078) |
| 29 | Child Victims' Trust Fund Contribution | | | | |
| | \$2 | \$5 | \$10 | Other | 29 |
| | | | | | (079) |
| 30 | Bluegrass State Games and U.S. Olympic Committee | | | | |
| | Fund Contribution | | | 30 | (080) |
| 31 | Veterans' Program Trust Fund Contribution | | | 31 | (081) |
| 32 | Add lines 28 through 31..... | | | 32 | (082) |
| 33 | Amount of line 27 to be CREDITED to your 2004 ESTIMATED TAX..... | | | 33 | (083) |
| 34 | Subtract lines 32 and 33 from line 27. Amount to be REFUNDED TO YOU | | | 34 | (084) |

TAX PAYMENT SUMMARY

- 35 If line 24 is larger than line 26, enter **ADDITIONAL TAX DUE**.....35 (085)
- 36 (a) 2210-K Penalty (087) (c) Late payment penalty (089)
- Check if Form 2210-K attached (086) (d) Late filing penalty (090)
- (b) Interest (088) (e) Add lines 36(a) through 36(d)
- Enter here..... 36(e) (091)
- 37 Add lines 35 and 36(e) and enter here. This is the **AMOUNT YOU OWE**.....37 (092)

Make check payable to **Kentucky State Treasurer**. Write your Social Security number and "KY Income Tax – 2003" on the check. **Place on top of wage and tax statements on page 1.**

Attach a complete copy of federal Form 1040 if you received farm, business, or rental income or loss.

If you are not required to attach a copy of your federal return, check here

Do you wish to receive a packet next year, or do
Need only a name and address label for filing

Your 2004 return? (check one).....

Packet Label

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Mail to: Kentucky Revenue Cabinet, Frankfort, KY 40618-0006
Kentucky Revenue Cabinet, Frankfort, KY 40619-0008

REFUNDS
PAYMENTS

Daytime Phone Number (093) Preparer Name (094) Preparer ID (095)

Schedule M**Form 740**

42A740-M

Commonwealth of Kentucky
REVENUE CABINET**KENTUCKY
FEDERAL ADJUSTED GROSS INCOME
MODIFICATIONS****Attach to Form 740****2003**

Enter Name(s) as shown on tax return.

Your Social Security Number

**PART I ADDITIONS TO FEDERAL
ADJUSTED GROSS INCOME****A. Spouse (Use if Filing Status 2 is checked.)****B. Yourself (or Joint)**

1	Enter interest income from bonds issued by other states and their political subdivisions.....1	(096)	(113)
2	Enter self-employed health insurance deduction from federal Form 1040, line 28.....2	(097)	(114)
3	Enter resident adjustment from partnerships, fiduciaries and S corporations, Schedule K-1.....3	(098)	(115)
4	Enter federal depreciation from Form 4562.....4	(099)	(116)
5	Enter educator expenses from federal Form 1040, line 23; 1040A, line 16.....5	(100)	(117)
6	Other Additions (specify): (a) _____ (b) _____ (c) _____.....6	(101)	(118)
7	Total Additions. Enter here and on Form 740, page 1, line 10.....7	(102)	(119)

**PART II SUBTRACTIONS FROM FEDERAL
ADJUSTED GROSS INCOME**

8	Enter state income tax refund or credit reported as income on federal Form 1040.....8	(103)	(120)
9	Enter interest income from U.S. government bonds and securities.....9	(104)	(121)
10	Enter excludable amount of retirement income (attach Schedule P if more than \$39,400).....10	(105)	(122)
11	Enter taxable amount of Social Security and Railroad Retirement Board benefits from federal Form 1040, Line 20(b) (1040A, line 14(b)).....11	(106)	(123)
12	Enter long-term care insurance premiums.....12	(107)	(124)
13	Enter health insurance premiums not previously deducted from income. Do not include premiums paid with pretax dollars (cafeteria plan).....13	(108)	(125)
14	Enter resident adjustment from partnerships, fiduciaries, and S corporations, Schedule K-1.....14	(109)	(126)
15	Enter Kentucky depreciation from Form 4562.....15	(110)	(127)
16	Other Subtractions (specify): (a) _____ (b) _____ (c) _____.....16	(111)	(128)
17	Total Subtractions. Enter here and on Form 740, page 1, line 12.....17	(112)	(129)

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Schedule A**Form 740**

Revenue Cabinet

KENTUCKY ITEMIZED DEDUCTIONS**Attach to Form 740. See Instructions****2003**

Enter name(s) as shown on Form 740, page 1.		Your Social Security Number	
Medical and Dental Expenses	Do not include expenses reimbursed or paid by others. 1. Medical and dental expenses.....1 (130) 2. Enter 7.5% (.075) of the amount from Form 740, line 13.....2 (131) 3. Total medical and dental. Subtract line 2 from line 1. If zero or less, enter -0-.....3 (132)		
Taxes Note: Sales and use taxes are not deductible.	4. Local income taxes (do not include state income tax).....4 (133) 5. Real estate taxes.....5 (134) 6. Personal property taxes.....6 (135) 7. Other taxes (list)7 (136) 8. Total taxes. Add lines 4 through 7. Enter here.....4 (137)		
Interest Expense Note: Personal Interest is not deductible.	9. Home mortgage interest and points reported to you on federal Form 1098.....9 (138) 10. Home mortgage interest not reported to you on federal Form 1098 (if paid to an individual, show that person's name and address)10 (139) 11. Points not reported to you on federal Form 1098 (see instructions for special rules).....11 (140) 12. Investment interest (attach federal Form 4952 if required).....12 (141) 13. Total interest. Add lines 9 through 12. Enter here.....13 (142)		
Contributions Note: For any contribution of \$250 or more, see instructions.	14. Contributions by cash or check.....14 (143) 15. Other than cash or check (attach federal Form 8283 if over \$500).....15 (144) 16. Artistic charitable contributions deduction (attach schedule).....16 (145) 17. Carryover from prior year.....17 (146) 18. Total contributions. Add lines 14 through 17. Enter here.....18 (147)		
Casualty and Theft Losses	19. Enter amount from attached federal Form 4684, Section A, line 16..19 (148) 20. Enter 10% (.10) of the amount from Form 740, line 13.....20 (149) 21. Total casualty and theft loss(es). Subtract line 20 from line 19. If zero or less, enter -0-.....21 (150)		
Job Expenses And Most Other Miscellaneous Deductions	22. Unreimbursed employee expenses-job travel, union dues, job education, etc. (attach federal Form 2106 or 2106-EZ if applicable) list.....22 (151) 23. Tax preparation fees.....23 (152) 24. Other (investment, safe deposit box, etc.) list24 (153) 25. Add the amounts on lines 22, 23, and 24. Enter here.....25 (154) 26. Enter 2% (.02) of the amount from Form 740, line 13.....26 (155) 27. Total. Subtract line 26 from line 25. If zero or less, enter -0-.....27 (156)		
Other Miscellaneous Deductions	28. Other (see instructions) list.....28 (157)		
Total Itemized Deductions	29. Add lines 3, 8, 13, 18, 21, 27 and 28. Enter here.....29 (158)		

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* If single or married filing jointly and your income for Form 740, Column B does not exceed \$139,500, enter total itemized deductions on Form 740, line 14, Column B.

* **All others go to page 2.**

SCHEDULE A (Form 740) 2003

If the amount on Form 740, line 13, exceeds \$139,500 (\$69,750 if married filing separately on a combined return Or separate returns), skip Part I and complete Part II.

PART I – DIVIDING DEDUCTIONS BETWEEN SPOUSES

Use this schedule if married filing separately on a combined return.

1. Percent of income (Form 740, line 13, Column A) to total income (Form 740, total of line 13, Columns A and B).....	(159)	%
2. Percent of income (Form 740, line 13, Column B) to total income (Form 740, total of line 13, Columns A and B).....	(160)	%
3. Percent on line 1 times total deductions entered on page 1, line 29 (enter here and on Form 740, line 14, Column A).....	(161)	
4. Percent on line 2 times total deductions entered on page 1, line 29 (enter here and on Form 740, line 14, Column B).....	(162)	

PART II – ITEMIZED DEDUCTIONS LIMITATIONS SCHEDULE

Use this schedule if the adjusted gross income on Form 740, line 13, exceeds \$139,500 (\$69,750 if married filing separately on a combined return or separate returns).

	A. Spouse	B. Yourself (or Joint)
• If married filing separately on a combined return, enter in Column A the percent of income (Form 740, line 13, Column A) to total income (Form 740, total of line 13, Columns A and B); enter in Column B the percent of income (Form 740, line 13, Column B) to total income (Form 740, total of line 13, Columns A and B).		
• If single, married filing a joint return or married filing separate returns, enter 100% in Column B.	(163) %	(174) %
1. Multiply the amount on Schedule A, line 29, by the percent of income shown in Columns A and B.....	1. (164)	1. (175)
2. Add the amounts on Schedule A, line 3, 12 and 21, plus any gambling losses included on line 28 and multiply by the percent of income shown in Columns A and/or B.....	2. (165)	2. (176)
3. Subtract the amount on line 2 from the amount on line 1. (If the result is zero, STOP HERE; enter the amount from line 1 above on Form 740, line 14.).....	3. (166)	3. (177)
4. Multiply the amount on line 3 above by 80% (.80).....	4. (167)	4. (178)
5. Enter the amount from Form 740, line 13.....	5. (168)	5. (179)
6. Enter \$139,500 (\$69,750 if married filing separately on a combined return or separate returns).....	6. (169)	6. (180)
7. Subtract the amount on line 6 from the amount on line 5. (If the result is zero or less, STOP HERE; enter the amount from line 1 above on Form 740, line 14.).....	7. (170)	7. (181)
8. Multiply the amount on line 7 above by 3% (.03).....	8. (171)	8. (182)
9. Compare the amounts on lines 4 and 8 above. Enter the smaller of the two amounts here.....	9. (172)	9. (183)
10. Total itemized deductions. Subtract the amount on line 9 from the amount on line 1. Enter the result here and on Form 740, line 14.....	10. (173)	10. (184)

2210-K

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Commonwealth of Kentucky
REVENUE CABINET**UNDERPAYMENT OF ESTIMATED TAX
BY INDIVIDUALS**► **Attach to Form 740 or 740-NP****2003**

Enter name(s) as shown on page 1, Form 740 or 740-NP

Your Social Security Number

PART I – EXCEPTIONS AND EXCLUSIONS

The penalty may be waived if, and only if, one of the following conditions is met. If one or more of the following applies to you, check the appropriate block(s), complete any necessary blank(s) and check the “Form 2210-K attached” block on Form 740, line 36a (Form 740-NP, line 31).

Check applicable block(s).

1. ☐ The taxpayer died during the taxable year. **(185)**
2. ☐ Two-thirds (2/3) or more of the gross income was from farming; this return is being filed on or before March 1, 2004; **and** the total tax due is being paid in full. Fiscal year taxpayers must file a return and pay the tax due on or before the first day of the third month following the close of the tax year. **(186)**
 - a. Enter total gross income.....**(187)**
 - b. Multiply by 2/3 (.67).....**(188)**
 - c. Enter gross income from farming.....**(189)**

Line (c) must **equal or exceed** line (b) to qualify for the exception.
3. ☐ Prepaid tax **equals or exceeds** last year's income tax liability. **(190)**
 - a. Enter the liability from the 2002 return, Form 740, line 22
Form 740-NP, line 18.....**(191)**
 - b. Enter amount from the 2003 Form 740, line 26 (Form 740-NP, line 22)*.....**(192)**

Line (b) must **equal or exceed** line (a) to claim the exception.

PART II – FIGURING THE UNDERPAYMENT AND PENALTY (Complete only if the **additional** tax due exceeds \$500)

Taxpayers claiming a credit for tax paid to another state, see Form 740 instructions for “underpayment penalty” before completing Part II.

1. Enter 2003 income tax liability from Form 740, line 22 (Form 740-NP, line 18)..... **(193)**
2. Percentage of liability required to be prepaid is 70%.....2. x .7
3. Multiply line 1 by line 2.....3. **(194)**
4. Enter the amount from Form 740, line 26 (Form 740-NP, line 22)*.....4. **(195)**
5. Subtract line 4 from line 3 (If line 4 exceeds line 3, no penalty applies.).....5. **(196)**
6. Penalty percentage is 10%.....6. x .1
7. Multiply line 5 by line 6. This is the amount of the penalty for underpayment
Of estimated tax (minimum penalty \$25).....7. **(197)**

Form 740 – Enter this amount on Form 740, line 36a, check the “Form 2210-K attached” block.

Form 740-NP – Enter this amount on Form 740-NP, line 31, in the area designated for Form 2210-K penalty and check the “Form 2210-K attached” block. **The penalty amount should be added to the additional tax due and the total entered on Form 740-NP, Line 31.**

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To avoid underpayment penalty in the future, obtain and file Form 740-ES.

*Do not include amounts prepaid with extension after the due date of the fourth declaration installment.